



LIFE AND ACCIDENT AND HEALTH COMPANIES—ASSOCIATION EDITION - SEPARATE ACCOUNTS

ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2005
OF THE CONDITION AND AFFAIRS OF THE SEPARATE ACCOUNTS OF THE
INDEPENDENCE LIFE AND ANNUITY COMPANY

NAIC Group Code	0549	0549	NAIC Company Code	64602	Employer's ID Number	61-0403075
	(Current Period)	(Prior Period)				
Organized under the Laws of	Rhode Island			State of Domicile or Port of Entry	Rhode Island	
Country of Domicile	US					
Incorporated/Organized	10/11/1945			Commenced Business	11/23/1945	
Statutory Home Office	1130 Ten Rod Road, Suite 302 D			North Kingstown, RI 02852-4161		
	(Street and Number)			(City or Town, State and Zip Code)		
Main Administrative Office	One Sun Life Executive Park			Wellesley Hills, MA 02481	781-237-6030	
	(Street and Number)			(City or Town, State and Zip Code)	(Area Code)	(Telephone Number)
Mail Address	One Sun Life Executive Park			Wellesley Hills, MA 02481		
	(Street and Number or P.O. Box)			(City or Town, State and Zip Code)		
Primary Location of Books and Records	1130 Ten Rod Road, Suite 302 D			North Kingstown, RI 02852-4161	781-446-1523	
	(Street and Number)			(City or Town, State and Zip Code)	(Area Code)	(Telephone Number)
Internet Website Address	www.sunlife.com					
Statutory Statement Contact	Lynn Marie Kelley			781-446-1523		
	(Name)			(Area Code) (Telephone Number) (Extension)		
	lynn.kelley@sunlife.com			781-239-1682		
	(E-mail Address)			(FAX Number)		
Policyowner Relations Contact	Karen E. Travis One Sun Life Executive Park			Wellesley Hills, MA 02481	781-446-1831	
	(Street and Number)			(City or Town, State and Zip Code)	(Area Code)	(Telephone Number) (Extension)

OFFICERS

Name	Title	Name	Title
ROBERT CHARLES SALIPANTE	President	ELLEN BLOOMER KING	AVP and Senior Counsel and Secretary
GARY CORSI	VP and CFO and Treasurer	KEITH GUBBAY	VP and Chief Actuary

OTHER OFFICERS

CLAUDE ALAN ACCUM	VP, Individual Insurance	JAMES MITCHELL ANGUS	EVP and Chief Investment Officer
SCOTT MICHAEL DAVIS	VP and General Counsel	ANDERSON #	VP, Annuities
	VP, Human Resources and Public Relations	MARY MARTHA FAY	EVP, Sun Life Financial U.S. Operations
JANET VEAL WHITEHOUSE		JOHN ROGER WRIGHT	

DIRECTORS OR TRUSTEES

GARY CORSI	SCOTT MICHAEL DAVIS	MARY MARTHA FAY	ROBERT CHARLES SALIPANTE
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State ofMassachusetts.....

County ofNorfolk..... SS

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures Manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

ROBERT CHARLES SALIPANTE
President

ELLEN BLOOMER KING
AVP and Senior Counsel and Secretary

a. Is this an original filing? Yes [X] No []

Subscribed and sworn to before me this
23rd day of February, 2006

- b. If no,
1. State the amendment number
 2. Date filed
 3. Number of pages attached

Sara J. Luvisi, Notary Public
November 21, 2008

ANNUAL STATEMENT FOR THE YEAR 2005 OF THE SEPARATE ACCOUNTS OF THE INDEPENDENCE LIFE AND ANNUITY COMPANY

ASSETS

	Current Year			Prior Year
	1 General Account Basis	2 Fair Value Basis	3 Total (Cols. 1 + 2)	4 Total
1. Bonds (Schedule D).....	0	0	0	0
2. Stocks (Schedule D):				
2.1 Preferred stocks	0	0	0	0
2.2 Common stocks	0	75,134,491	75,134,491	76,775,117
3. Mortgage loans on real estate (Schedule B).....	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties held for the production of income				
(less \$0 encumbrances).....	0	0	0	0
4.2 Properties held for sale (less \$0 encumbrances)	0	0	0	0
5. Contract loans.....	0	0	0	0
6. Cash (\$0 Schedule E - Part 1) and cash equivalents				
(\$0 Schedule E - Part 2).....	0	0	0	0
7. Short-term investments (Schedule DA).....	0	0	0	0
8. Other invested assets (Schedule BA).....	0	0	0	0
9. Aggregate write-ins for invested assets.....	0	0	0	0
10. Subtotals-Cash and invested assets (Lines 1 to 9).....	0	75,134,491	75,134,491	76,775,117
11. Investment income due and accrued.....		0	0	0
12. Receivables for securities.....		0	0	0
13. Net adjustment in assets and liabilities due to foreign exchange rates.....		0	0	0
14. Aggregate write-ins for other than invested assets.....	0	0	0	0
15 Totals (Lines 10 to 14)	0	75,134,491	75,134,491	76,775,117
DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page.....	0	0	0	0
0999. TOTALS (Lines 0901 thru 0903 plus 0998) (Line 9 above)	0	0	0	0
1401.				
1402.				
1403.				
1498. Summary of remaining write-ins for line 14 from overflow page.....	0	0	0	0
1499. TOTALS (Lines 1401 thru 1403 plus 1498) (Line 14 above)	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2005 OF THE SEPARATE ACCOUNTS OF THE INDEPENDENCE LIFE AND ANNUITY COMPANY

LIABILITIES AND SURPLUS

	Current Year			Prior Year
	1 General Account Basis	2 Fair Value Basis	3 Total (Cols. 1 + 2)	4 Total
1. Aggregate reserve for life, annuity and accident and health contracts (Exhibit 3, Line 9999999, Column 2).....	0	74,394,497	74,394,497	76,013,377
2. Liability for deposit-type contracts (Exhibit 4, Line 9, Column 1).....	0	0	0	0
3. Interest Maintenance Reserve	0	0	0	0
4. Charges for investment management, administration and contract guarantees due or accrued.....	0	0	0	0
5. Investment expenses due or accrued (Exhibit 1, Line 24).....	0	0	0	0
6. Investment taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 2, Line 8).....	0	0	0	0
7. Federal and foreign income taxes due or accrued (excluding deferred taxes).....	0	0	0	0
8. Reserve for future federal income taxes	0	0	0	0
9. Unearned investment income	0	0	0	0
10. Other transfers to general account due or accrued (net) (including \$0 accrued expense allowances recognized in reserves)	0	739,994	739,994	761,740
11. Remittances and items not allocated.....	0	0	0	0
12. Payable for securities.....	0	0	0	0
13. Net adjustments in assets and liabilities due to foreign exchange rates.....	0	0	0	0
14. Aggregate write-ins for liabilities.....	0	0	0	0
15 Total Liabilities (including \$739,994 due or accrued net transfers to or (from) the general account).....	0	75,134,491	75,134,491	76,775,117
16. Contributed surplus.....	0	0	0	0
17. Aggregate write-ins for special surplus funds.....	0	0	0	0
18. Unassigned funds.....	0	0	0	0
19. Surplus (Lines 16 thru 18).....	0	0	0	0
20. Totals	0	75,134,491	75,134,491	76,775,117
DETAILS OF WRITE-INS				
1401.				
1402.				
1403.				
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0	0
1499. TOTALS (Lines 1401 thru 1403 plus 1498) (Line 14 above)	0	0	0	0
1701.				
1702.				
1703.				
1798. Summary of remaining write-ins for Line 17 from overflow page.....	0	0	0	0
1799. TOTALS (Lines 1701 thru 1703 plus 1798) (Line 17 above)	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2005 OF THE SEPARATE ACCOUNTS OF THE INDEPENDENCE LIFE AND ANNUITY COMPANY

SUMMARY OF OPERATIONS

	1 Current Year	2 Prior Year
1. Transfers to Separate Accounts:		
1.1 Net premiums and annuity considerations for life and accident and health contracts.....	0	0
1.2 Considerations for supplementary contracts with life contingencies.....	0	0
1.3 Aggregate write-ins for other transfers to Separate Accounts.....	0	0
1.4 Totals (Lines 1.1 to 1.3).....	0	0
2. Transfers on account of deposit-type contracts (including \$ deposits less \$ withdrawals).....	0	0
3. Net Investment income and capital gains and losses.....	3,429,684	3,342,761
4. Aggregate write-ins for other income.....	0	0
5. Totals (Lines 1.4 to 4).....	3,429,684	3,342,761
DEDUCT:		
6. Transfers from the Separate Account on account of contract benefits:		
6.1 Death benefits.....	1,466,228	913,827
6.2 Matured endowments.....	0	0
6.3 Annuity benefits.....	0	0
6.4 Payments on supplementary contracts with life contingencies.....	0	0
6.5 Accident and health benefits.....	0	0
6.6 Surrender benefits and withdrawals for life contracts.....	2,681,859	2,778,025
6.7 Aggregate write-ins for other transfers from Separate Accounts on account of contract benefits.....	0	0
7. Transfers on account of policy loans.....	(779,635)	(148,610)
8. Net transfer of reserves from or (to) Separate Accounts.....	(194,236)	4,805,323
9. Other transfers from the Separate Accounts:		
9.1 Federal and foreign income taxes incurred.....	0	0
9.2 Change in expense allowances recognized in reserves.....	0	0
9.3 Aggregate write-ins for other transfers from Separate Accounts.....	0	0
10. Subtotals (Lines 6.1 to 9.3).....	3,174,216	8,348,565
11. Fees associated with charges for investment management, administration and contract guarantees.....	1,874,349	1,992,761
12. Increase in aggregate reserve for life and accident and health contracts.....	(1,618,881)	(6,998,565)
13. Increase in liability for deposit-type contracts.....	0	0
14. Increase in reserve for future federal income taxes.....	0	0
15. Aggregate write-ins for reserves and funds.....	0	0
16. Totals (Lines 10 to 15).....	3,429,684	3,342,761
17. Net gain from operations (including \$ unrealized capital gains)(Line 5 minus Line 16)	0	0

SURPLUS ACCOUNT

18. Surplus, December 31, prior year.....	0	0
19. Net gain from operations (Line 17).....	0	0
20. Surplus contributed or (withdrawn) during year.....	0	0
21. Change in reserve on account of change in valuation basis, (increase) or decrease.....	0	0
22. Transfer from Separate Accounts of the change in expense allowances recognized in Line 21.....	0	0
23. Aggregate write-ins for gains and losses in surplus.....	0	0
24. Surplus, December 31, current year (Page 3, Line 19)	0	0
DETAILS OF WRITE-INS		
01.301.		
01.302.		
01.303.		
01.398. Summary of remaining write-ins for Line 1.3 from overflow page.....	0	0
01.399. TOTALS (Lines 01.301 thru 01.303 plus 01.398) (Line 1.3 above)	0	0
0401.		
0402.		
0403.		
0498. Summary of remaining write-ins for Line 4 from overflow page.....	0	0
0499. TOTALS (Lines 0401 thru 0403 plus 0498) (Line 4 above)	0	0
06.701.		
06.702.		
06.703.		
06.798. Summary of remaining write-ins for Line 6.7 from overflow page.....	0	0
06.799. TOTALS (Lines 06.701 thru 06.703 plus 06.798) (Line 6.7 above)	0	0
09.301. Other transfers.....	0	0
09.302.		
09.303.		
09.398. Summary of remaining write-ins for Line 9.3 from overflow page.....	0	0
09.399. TOTALS (Lines 09.301 thru 09.303 plus 09.398) (Line 9.3 above)	0	0
1501. Change in accrued mortality charges.....	0	0
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page.....	0	0
1599. TOTALS (Lines 1501 thru 1503 plus 1598) (Line 15 above)	0	0
2301.		
2302.		
2303.		
2398. Summary of remaining write-ins for Line 23 from overflow page.....	0	0
2399. TOTALS (Lines 2301 thru 2303 plus 2398) (Line 23 above)	0	0

ANNUAL STATEMENT FOR THE YEAR 2005 OF THE SEPARATE ACCOUNTS OF THE INDEPENDENCE LIFE AND ANNUITY COMPANY

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

(GAIN AND LOSS EXHIBIT)

	1	Ordinary			Group		Accident and Health		9 Aggregate of All Other Lines of Business
		2	3	4	5	6	7	8	
	Total	Life Insurance	Individual Annuities	Supplement- ary Contracts	Life Insurance	Annuities	Group	Other	
1. Transfer to Separate Accounts:									
1.1 Net premiums and annuity considerations for life and accident and health policies and contracts.....	0								
1.2 Considerations for supplementary contracts with life contingencies.....	0								
1.3 Aggregate write-ins for other transfers to Separate Accounts.....	0	0	0	0	0	0	0	0	0
1.4 Totals (Lines 1.1 to 1.3).....	0	0	0	0	0	0	0	0	0
2. Transfers on account of deposit-type contracts (including \$ deposits less \$ withdrawals).....	0	0							
3. Net investment income and capital gains and losses.....	3,429,684	3,429,684							
4. Aggregate write-ins for other income.....	0	0	0	0	0	0	0	0	0
5. Totals (Lines 1.4 to 4).....	3,429,684	3,429,684	0	0	0	0	0	0	0
DEDUCT:									
6. Transfers from the Separate Account on account of contract benefits:									
6.1 Death benefits.....	1,466,228	1,466,228							
6.2 Matured endowments.....	0	0							
6.3 Annuity benefits.....	0	0							
6.4 Payments on supplementary contracts with life contingencies.....	0	0							
6.5 Accident and health benefits.....	0	0							
6.6 Surrender benefits and withdrawals for life contracts.....	2,681,859	2,681,859							
6.7 Aggregate write-ins for other transfers from Separate Accounts on account of contract benefits.....	0	0	0	0	0	0	0	0	0
7. Transfers on account of policy loans.....	(779,635)	(779,635)							
8. Net transfer of reserves from or (to) Separate Accounts.....	(194,236)	(194,236)							
9. Other transfers from the Separate Accounts:									
9.1 Federal and foreign income taxes incurred.....	0	0							
9.2 Change in expense allowances recognized in reserves.....	0	0							
9.3 Aggregate write-ins for other transfers from Separate Accounts.....	0	0	0	0	0	0	0	0	0
10. Subtotals (Lines 6.1 to 9.3).....	3,174,216	3,174,216	0	0	0	0	0	0	0
11. Fees associated with charges for investment management, administration and contract guarantees.....	1,874,349	1,874,349							
12. Increase in aggregate reserve for life and accident and health contracts.....	(1,618,881)	(1,618,881)	0			0			
13. Increase in liability for deposit-type contracts.....	0								
14. Increase in reserve for future federal income taxes.....	0								
15. Aggregate write-ins for reserves and funds.....	0	0	0	0	0	0	0	0	0
16. Totals (Lines 10 to 15).....	3,429,684	3,429,684	0	0	0	0	0	0	0
17. Net gain from operations (including \$ unrealized capital gains) (Line 5 minus Line 16).....	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE INS									
01.301.									
01.302.									
01.303.									
01.398. Summary of remaining write-ins for Line 1.3 from overflow page.....	0	0	0	0	0	0	0	0	0
01.399. TOTALS (Lines 01.301 thru 01.303 plus 01.398) (Line 1.3 above).....	0	0	0	0	0	0	0	0	0
0401.									
0402.									
0403.									
0498. Summary of remaining write-ins for Line 4 from overflow page.....	0	0	0	0	0	0	0	0	0
0499. TOTALS (Lines 0401 thru 0403 plus 0498) (Line 4 above).....	0	0	0	0	0	0	0	0	0
06.701.									
06.702.									
06.703.									
06.798. Summary of remaining write-ins for Line 6.7 from overflow page.....	0	0	0	0	0	0	0	0	0
06.799. TOTALS (Lines 06.701 thru 06.703 plus 06.798) (Line 6.7 above).....	0	0	0	0	0	0	0	0	0
09.301.									
09.302.									
09.303.									
09.398. Summary of remaining write-ins for Line 9.3 from overflow page.....	0	0	0	0	0	0	0	0	0
09.399. TOTALS (Lines 09.301 thru 09.303 plus 09.398) (Line 9.3 above).....	0	0	0	0	0	0	0	0	0
1501.									
1502.									
1503.									
1598. Summary of remaining write-ins for Line 15 from overflow page.....	0	0	0	0	0	0	0	0	0
1599. TOTALS (Lines 1501 thru 1503 plus 1598) (Line 15 above).....	0	0	0	0	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2005 OF THE SEPARATE ACCOUNTS OF THE INDEPENDENCE LIFE AND ANNUITY COMPANY

ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR
(GAIN AND LOSS EXHIBIT)

	1 Total	Ordinary			Group	
		2 Life Insurance	3 Individual Annuities	4 Supplementary Contracts	5 Life Insurance	6 Annuities
1. Reserve Dec. 31 of prior year.....	76,013,377	76,013,377	0	0	0	0
2. Tabular net premiums and considerations for annuities, supplementary contracts with life contingencies.....	0					
3. Increase or (decrease) from investment results after provision for federal income taxes.....	3,429,685	3,429,685				
4. Tabular less actual reserve released.....	0					
5. Increased in reserve on account of change in valuation basis.....	0					
6. Other increases (net).....	0	0				
7. ----Totals (Lines 1 to 6).....	79,443,062	79,443,062	0	0	0	0
8. Net transfer of reserves from or (to) Separate Accounts.....	(973,871)	(973,871)				
9. Tabular cost.....	0					
10. Reserves released by death.....	1,466,228	1,466,228				
11. Reserves released by other terminations (net).....	2,681,859	2,681,859				
12. Transfers on account of annuity and supplementary contract payments involving life contingencies.....	0					
13. Charges for investment management, administration and contract guarantees.....	1,874,349	1,874,349				
14. Aggregate write-ins for other decreases in reserves.....	0	0	0	0	0	0
15. Total deductions (Lines 8 to 14).....	5,048,565	5,048,565	0	0	0	0
16. Reserve December 31 of current year.....	74,394,497	74,394,497	0	0	0	0
DETAILS OF WRITE-INS						
1401.						
1402.						
1403.						
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0	0	0	0
1499. TOTALS (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	0	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2005 OF THE SEPARATE ACCOUNTS OF THE INDEPENDENCE LIFE AND ANNUITY COMPANY

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a) .....	.....
1.1	Bonds exempt from U.S. tax	(a) .....	.....
1.2	Other bonds (unaffiliated)	(a) .....	.....
1.3	Bonds of affiliates	(a) .....	.....
2.1	Preferred stocks (unaffiliated)	(b) .....	.....
2.11	Preferred stocks of affiliates	(b) .....	.....
2.2	Common stocks (unaffiliated) .....	.....1,902,882	.....1,902,882
2.21	Common stocks of affiliates .....	.....	.....
3.	Mortgage loans	(c) .....	.....
4.	Real estate	(d) .....	.....
5.	Contract loans .....	.....	.....
6.	Cash, cash equivalents and short-term investments	(e) .....	.....
7.	Derivative instruments	(f) .....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	.....0	.....0
10.	Total gross investment income .....	.....1,902,882	.....1,902,882
11.	Investment expenses		(g)
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g)
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i)
15.	Aggregate write-ins for deductions from investment income .....		.....0
16.	Total (Lines 11 through 15) .....		.....0
17.	Net Investment Income - (Line 10 minus Line 16) .....		.....1,902,882
DETAILS OF WRITE-INS			
0901.	.....	.....	.....
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9, above) .....	.....0	.....0
1501.	.....		.....
1502.	.....		.....
1503.	.....		.....
1598.	Summary of remaining write-ins for Line 15 from overflow page .....		.....0
1599.	Total (Lines 1501 through 1503 plus 1598) (Line 15, above) .....		.....0

(a) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
(b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
(c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
(d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
(e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
(f) Includes \$ accrual of discount less \$ amortization of premium.
(g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes \$ interest on surplus notes and \$ interest on capital notes.
(i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Increases (Decreases) by Adjustment	Total
1.	U.S. Government bonds .....				.....0
1.1	Bonds exempt from U.S. tax .....				.....0
1.2	Other bonds (unaffiliated) .....				.....0
1.3	Bonds of affiliates .....0	.....0	.....0	.....0	.....0
2.1	Preferred stocks (unaffiliated) .....				.....0
2.11	Preferred stocks of affiliates .....0	.....0	.....0	.....0	.....0
2.2	Common stocks (unaffiliated) .....513,228	.....1,013,574	.....1,526,802		
2.21	Common stocks of affiliates .....0	.....0	.....0	.....0	.....0
3.	Mortgage loans .....				.....0
4.	Real estate .....				.....0
5.	Contract loans .....				.....0
6.	Cash, cash equivalents and short-term investments .....				.....0
7.	Derivative instruments .....				.....0
8.	Other invested assets .....				.....0
9.	Aggregate write-ins for capital gains (losses) .....0	.....0	.....0	.....0	.....0
10.	Total capital gains (losses) .....513,228	.....0	.....1,013,574	.....1,526,802	
DETAILS OF WRITE-INS					
0901.	.....			
0902.	.....			
0903.	.....			
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0	.....0	.....0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9, above) .....	.....0	.....0	.....0	.....0

EXHIBIT 1 - INVESTMENT EXPENSES

	1 Amount
1. Rent	
2. Salaries and wages	
3. Contributions for benefit plans for employees (a)	
4. Payments to employees under non-funded benefit plans	
5. Other employee welfare	
6. Legal fees and expenses	
7. Fees of public accountants and consulting actuaries	
8. Traveling expenses	
9. Postage, express, telegraph and telephone	
10. Printing and stationery	
11. Cost of depreciation of furniture and equipment	
12. Rental equipment	
13. Books and periodicals	
14. Bureau and association fees	
15. Insurance, except on real estate	
16. Miscellaneous losses	
17. Collection and bank service charges	
18. Sundry general expenses	
19. Real estate expenses	
20. Investment expenses not included elsewhere	
21. Aggregate write-ins for other investment expenses	0
22. Investment expenses incurred	0
Reconciliation with Exhibit 5	
23. Investment expenses unpaid December 31, prior year	0
24. Investment expenses unpaid December 31, current year	
25. Investment expenses paid during year (Lines 22 + 23 - 24) (to Exhibit 5, Line 12)	0
DETAILS OF WRITE-INS	
2101.	
2102.	
2103.	
2198. Summary of remaining write-ins for Line 21 from overflow page	0
2199. TOTALS (Line 2101 thru 2103 plus 2198) (Line 21 above)	0

(a) Includes \$ on account of prior service.

EXHIBIT 2
INVESTMENT TAXES, LICENSES AND FEES
(EXCLUDING FEDERAL INCOME TAXES)

	1 Amount
1. Real estate taxes	
2. State insurance department fees	
3. Other state taxes, including (\$) for employee benefits	
4. U.S. Social Security taxes	
5. All other taxes	
6. Taxes, licenses and fees incurred	0
Reconciliation with Exhibit 5	
7. Taxes, licenses and fees unpaid December 31, prior year	0
8. Taxes, licenses and fees unpaid December 31, current year	
9. Taxes, licenses and fees paid during year (Lines 6 + 7 - 8) (to Exhibit 5, Line 13)	0

ANNUAL STATEMENT FOR THE YEAR 2005 OF THE SEPARATE ACCOUNTS OF THE INDEPENDENCE LIFE AND ANNUITY COMPANY

EXHIBIT 3 - AGGREGATE RESERVE FOR LIFE, ANNUITY AND ACCIDENT AND HEALTH CONTRACTS

1	2	3	4
Description of Valuation Basis	Total	Ordinary	Group
A. Life insurance:			
1. 80 CSO without selection factor, 4% IPC 85 NB	74,394,497	74,394,497	
0199999. Totals	74,394,497	74,394,497	0
B. Annuities (excluding supplementary contracts):			
0299999. Totals	0	0	0
C. Supplementary contracts with life contingencies:			
0399999. Totals	0	0	0
D. Accident and health contracts:			
0499999. Totals	0	0	0
E. Miscellaneous reserves:			
.....			
.....			
.....			
.....			
.....			
.....			
.....			
.....			
0599999. Totals	0	0	0
9999999. Totals (to Page 3, Line 1)	74,394,497	74,394,497	0

EXHIBIT 3 - INTERROGATORIES

- | | | | |
|-----|--|---------|------------------|
| 1.1 | Has the reporting entity ever issued both participating and non-participating variable life insurance contracts? | Yes [] | No [X] |
| 2.1 | Does the reporting entity at present issue both participating and non-participating variable life insurance contracts? | Yes [] | No [X] |
| 2.2 | If not, state which kind is issued.
Non-participating | | |
| 3.1 | Is any surrender value promised in excess of the reserve as legally computed? | Yes [] | No [X] N/A [] |
| 3.2 | If so, the amount of such excess must be included in surrender values in excess of reserves otherwise required and carried in this schedule. Has this been done? | Yes [] | No [] N/A [X] |
| | Attach a statement of methods employed in the valuation of variable life insurance contracts issued at, or subsequently subject to, an extra premium or in the valuation of contracts otherwise issued on lives classified as substandard for the plan of contract issued or on special class lives (including paid-up variable life insurance). | | |

EXHIBIT 3A
CHANGES IN BASIS OF VALUATION DURING THE YEAR
(Including supplementary contracts set up on a basis
other than that used to determine benefits)

1	Valuation Basis		4
Description of Valuation Class	2 Changed From	3 Changed To	Increase in Actuarial Reserve Due to Change
NONE			
9999999.	Totals (Page 6, Line 5, Analysis of Increase in Reserves)		

EXHIBIT 4 – DEPOSIT-TYPE CONTRACTS

	1	2	3	4	5	6
	Total	Guaranteed Interest Contracts	Annuities Certain	Supplemental Contracts	Dividend Accumulations or Refunds	Premium and Other Deposit Funds
1. Balance at the beginning of the year .....	.0	.0	.0	.0	.0	.0
2. Deposits received during the year .....	.0					
3. Investment earnings credited to account .....	.0					
4. Other net change in reserves .....	.0					
5. Fees and other charges assessed .....	.0					
6. Surrender charges .....	.0					
7. Net surrender or withdrawal payments .....	.0					
8. Other net transfers to or (from) general account .....	.0					
9. Balance at the end of current year (Lines 1+2+3+4-5-6-7-8)	0	0	0	0	0	0

NONE

ANNUAL STATEMENT FOR THE YEAR 2005 OF THE SEPARATE ACCOUNTS OF THE INDEPENDENCE LIFE AND ANNUITY COMPANY

EXHIBIT 5
RECONCILIATION OF CASH AND INVESTED ASSETS

DEVELOPMENT OF INCREASE IN CASH		1 Amount
1. Transfers to Separate Accounts on account of:		
1.1 Net premiums and considerations for annuities and supplementary contracts with life contingencies		.0
1.2 Aggregate write-ins for other transfers to Separate Accounts		.0
2. Deposits on deposit-type contract funds and other liabilities without life or disability contingencies		.0
3. Investment income collected		1,902,882
4. Consideration on disposal of short-term bonds net of purchases		.0
5. Consideration on disposal of investments (excluding short-term bonds)		11,120,795
6. Aggregate write-ins for other increases in funds from operations		.0
7. Total (Lines 1 to 6)		13,023,677
8. Cost of investments acquired (excluding short-term bonds)		7,953,366
9. Transfers from Separate Accounts on account of contract benefits:		
9.1 Death benefits		1,466,228
9.2 Matured endowments		.0
9.3 Annuity benefits		.0
9.4 Supplementary contract benefits with life contingencies		.0
9.5 Accident and health benefits		.0
9.6 Surrender benefits and withdrawals for life contracts		2,681,859
9.7 Policy loans (net)		(779,635)
9.8 Transfers of reserves (net)		(194,236)
9.9 Aggregate write-ins for other transfers from Separate Accounts on account of contract benefits		21,746
10. Other transfers from Separate Accounts:		
10.1 Federal income taxes		.0
10.2 Aggregate write-ins for other transfers from Separate Accounts		.0
11. Withdrawals on deposit-type contract funds and other liabilities without life or disability contingencies		.0
12. Investment expenses (Exhibit 1, Line 25)		.0
12.1 Fees associated with investment management, administration and contract guarantees		1,874,349
13. Investment taxes, licenses and fees, excluding federal income taxes (Exhibit 2, Line 9)		0
14. Total (Lines 8 to 13)		13,023,677
15. Funds from operations (Line 7 minus Line 14)		.0
16. Surplus contributed or (withdrawn) during year		.0
17. Aggregate write-ins for other changes in funds		.0
18. Total funds (includes \$ 0 net transfers from general account) (Lines 15 to 17)		.0
19. Increase in payable for investments acquired, net of receivable for investments sold		.0
20. Decrease in policy loans		.0
21. Aggregate write-ins for other reconciling items		.0
22. Increase in cash (Lines 18 to 21)		.0
RECONCILIATION BETWEEN YEARS		
23. Cash and invested assets, December 31st of prior year		76,775,117
24. Increase in cash (Line 22)		.0
25. Cost of invested assets acquired		7,953,366
26. Adjusted cost of assets disposed of		10,607,566
27. Increase in policy loans		.0
28. Accrual of discount less amortization of premium		.0
29. Depreciation on real estate and other invested assets		.0
30. Increase in net unrealized gains		1,013,574
31. Aggregate write-ins for other reconciling items		.0
32. Cash and invested assets, December 31st of current year		75,134,491
DETAILS OF WRITE-INS		
01.201.		
01.202.		
01.203.		
01.298. Summary of remaining write-ins for Line 1.2 from overflow page		.0
01.299. TOTALS (Lines 01.201 thru 01.203 plus 01.298) (Line 1.2 above)		0
0601.		
0602.		
0603.		
0698. Summary of remaining write-ins for Line 6 from overflow page		.0
0699. TOTALS (Lines 0601 thru 0603 plus 0698) (Line 6 above)		0
09.901. Transfer between General and Separate Account		21,746
09.902.		
09.903.		
09.998. Summary of remaining write-ins for Line 9.9 from overflow page		.0
09.999. TOTALS (Lines 09.901 thru 09.903 plus 09.998) (Line 9.9 above)		21,746
10.201		
10.202.		
10.203.		
10.298. Summary of remaining write-ins for Line 10.2 from overflow page		.0
10.299. TOTALS (Lines 10.201 thru 10.203 plus 10.298) (Line 10.2 above)		0
1701.		
1702.		
1703.		
1798. Summary of remaining write-ins for Line 17 from overflow page		.0
1799. TOTALS (Lines 1701 thru 1703 plus 1798) (Line 17 above)		0
2101.		
2102.		
2103.		
2198. Summary of remaining write-ins for Line 21 from overflow page		.0
2199. TOTALS (Lines 2101 thru 2103 plus 2198) (Line 21 above)		0
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page		.0
3199. TOTALS (Lines 3101 thru 3103 plus 3198) (Line 31 above)		0

EXHIBIT 6
GUARANTEED INSURANCE AND ANNUITY PRODUCTS

	1 Amount	2 Percent of Total
1. Aggregate reserve for life, annuity and accident and health contracts (Included in Exhibit 3):		
1.1 Life Insurance.....		0.0
1.2 Annuities.....		0.0
1.3 Supplementary contracts with life contingencies.....		0.0
1.4 Accident and health.....		0.0
1.5 Miscellaneous reserves.....		0.0
1.6 Total.....	0	0.0
2. Liability for deposit contracts (Included in Exhibit 4):		
2.1 Guaranteed interest contracts.....		0.0
2.2 Annuities certain.....		0.0
2.3 Supplemental Contracts.....		0.0
2.4 Dividend accumulations or refunds.....		0.0
2.5 Premium and other deposit funds.....		0.0
2.6 Total.....	0	0.0
3. Other liabilities (Included in Page 3, Lines 4, 10, 13 & 14):.....		0.0
4. Total liabilities associated with guarantees (Lines 1.6 + 2.6 + 3).....	0	0.0
5. Total liabilities not associated with guarantees.....	75,134,491	100.0
6. Total Separate Accounts liabilities (Lines 4 + 5 = Page 3, Line 15)	75,134,491	100.0

ANNUAL STATEMENT FOR THE YEAR 2005 OF THE SEPARATE ACCOUNTS OF THE INDEPENDENCE LIFE AND ANNUITY COMPANY

SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year					
Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
BONDS Governments (Including all obligations guaranteed by governments)	1. United States	0	0	0	0
	2. Canada				
	3. Other Countries				
	4. Totals	0	0	0	0
States, Territories and Possessions (Direct and guaranteed)	5. United States				
	6. Canada				
	7. Other Countries				
	8. Totals	0	0	0	0
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States				
	10. Canada				
	11. Other Countries				
	12. Totals	0	0	0	0
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	13. United States				
	14. Canada				
	15. Other Countries				
	16. Totals	0	0	0	0
Public Utilities (unaffiliated)	17. United States				
	18. Canada				
	19. Other Countries				
	20. Totals	0	0	0	0
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21. United States				
	22. Canada				
	23. Other Countries				
	24. Totals	0	0	0	0
Parent, Subsidiaries and Affiliates	25. Totals	0	0	0	0
	26. Total Bonds	0	0	0	0
PREFERRED STOCKS Public Utilities (unaffiliated)	27. United States				
	28. Canada				
	29. Other Countries				
	30. Totals	0	0	0	
Banks, Trust and Insurance Companies (unaffiliated)	31. United States				
	32. Canada				
	33. Other Countries				
	34. Totals	0	0	0	
Industrial and Miscellaneous (unaffiliated)	35. United States				
	36. Canada				
	37. Other Countries				
	38. Totals	0	0	0	
Parent, Subsidiaries and Affiliates	39. Totals	0	0	0	
	40. Total Preferred Stocks	0	0	0	
COMMON STOCKS Public Utilities (unaffiliated)	41. United States				
	42. Canada				
	43. Other Countries				
	44. Totals	0	0	0	
Banks, Trust and Insurance Companies (unaffiliated)	45. United States				
	46. Canada				
	47. Other Countries				
	48. Totals	0	0	0	
Industrial and Miscellaneous (unaffiliated)	49. United States	75,134,491	75,134,491	68,746,557	
	50. Canada				
	51. Other Countries				
	52. Totals	75,134,491	75,134,491	68,746,557	
Parent, Subsidiaries and Affiliates	53. Totals	0	0	0	
	54. Total Common Stocks	75,134,491	75,134,491	68,746,557	
	55. Total Stocks	75,134,491	75,134,491	68,746,557	
	56. Total Bonds and Stocks	75,134,491	75,134,491	68,746,557	

SCHEDULE D - VERIFICATION BETWEEN YEARS

Bonds and Stocks

1. Book/adjusted carrying value of bonds and stocks, prior year.....	76,775,117	7. Amortization of premium.....	
2. Cost of bonds and stocks acquired, Column 7, Part 3	7,953,367	8. Foreign Exchange Adjustment:	
3. Accrual of discount.....		8.1 Column 15, Part 1	0
4. Increase (decrease) by adjustment:.....		8.2 Column 19, Part 2, Sec. 1.....	0
4.1 Columns 12 - 14, Part 1.....	0	8.3 Column 16, Part 2, Sec. 2	0
4.2 Columns 15 - 17, Part 2, Sec. 1.....	0	8.4 Column 15, Part 4	0
4.3 Column 15, Part 2, Sec. 2.....	1,537,924	9. Book/adjusted carrying value at end of current period	75,134,491
4.4 Columns 11 - 13, Part 4	(524,350)	10. Total valuation allowance	
5. Total gain (loss), Col. 19, Part 4	513,228	11. Subtotal (Lines 9 plus 10)	75,134,491
6. Deduct consideration for bonds and stocks disposed of		12. Total nonadmitted amounts	
Column 7, Part 4	11,120,795	13. Statement value of bonds and stocks, current period	75,134,491